



**Purchasing Contract
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 41
AGENDA DATE: Thu 06/24/2004
PAGE: 1 of 3

SUBJECT: Authorize execution of a five-year lease/purchase agreement with MEDTRONIC PHYSIO-CONTROL, Redmond, WA, for the provision of cardiac monitor/defibrillators for the Emergency Medical Services Department in an amount not to exceed \$1,214,878.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$20,248 is available in the Fiscal Year 2003-2004 Operating Budget of the Emergency Medical Services Department. Funding for the remaining 59 months of the agreement is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing
DEPARTMENT: for Emergency Medical Services;

**DIRECTOR'S
AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Mick Osborne, Sr. Buyer/974-2995

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bid meeting specification of four bids received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract is for a five-year lease/purchase of 52 cardiac monitor/defibrillators. The contract will also allow for the lease/purchase of up to six additional units during the term of the contract, as new Emergency Medical Services (EMS) stations are built. As part of the contract, Medtronic Physio-Control is purchasing EMS' existing inventory of 48 cardiac monitor/defibrillators.

These advanced cardiac monitor/defibrillators will be used in all ambulances operated by EMS. They will provide a number of functions in the course of treating a patient with abnormal cardiac conditions, such as shocking a defibrillating heart, pacing a slow heart, and conducting electrocardiograms.

The monitors to be leased under this contract will provide paramedics with new capabilities currently unavailable with the existing monitors. These capabilities include 1) capnography, which measures the amount of carbon dioxide in the respirations of the patient, 2) pulse oximetry, which measures the amount of oxygen in the blood stream and 3) non-invasive blood pressure, which automatically monitors the blood pressure of the patient while paramedics are performing other treatments. These capabilities will allow paramedics to provide an improved level of care for patients.

The monthly lease price of each unit is \$242.92, which includes the trade-in allowance for the existing inventory. The contract amount includes an allowance of \$70,000 per year for disposable supplies and accessories, such as defibrillation pads and electrodes. Under the terms of the contract, all maintenance and repair of the units will be provided by Medtronic Physio-Control at no charge to the City. The additional six units may be added to the contract at a lease price of \$17,826 each, which will be amortized



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AGENDA DATE: Thu 06/24/2004
PAGE: 2 of 3

over the remaining months of the lease from the time they are added to the contract. There is a \$1 buyout at the end of the lease, should the City elect to retain these units.

Leasing cardiac monitors is a new method for allowing EMS to stay current with rapidly changing technology and is a more cost-effective approach to acquiring this valuable life-saving tool. Cardiac monitors have advanced tremendously in recent years and it is anticipated that improvements will continue to evolve. A leasing contract provides EMS the flexibility to explore new technologies at the end of the five year term and not be locked into replacing expensive capital equipment. It is estimated that a lease will save approximately \$133,000 per year in future budgets due to the elimination of the need for capital replacement of existing monitors and the elimination of the need for a separate maintenance contract.

MBE/WBE solicited: 1/0 MBE/WBE bid: 0/0

**BID TABULATION
LEASE/PURCHASE OF CARDIAC MONITOR/DEFIBRILLATORS
IFB NO. MO04100048**

<u>VENDOR</u>	<u>TOTAL BID</u>
Medtronic Physio-Control Redmond, WA	\$1,214,878.00
Zoll Medical Corporation Chelmsford, MA	\$1,119,803.78*
Philips Medical Systems Seattle, WA	\$ 986,879.00**
Frost Bank Austin, TX	\$1,172,637.05***

* Withdrew bid. Changes in its corporate management dictated that they review its offer to the City and the new management did not feel they could support this equipment at these bid prices.

** Did not meet technical specifications.

***Non-responsive. Bid financing only. Did not bid specific equipment as required by the solicitation.

A complete bid tabulation is available in the Purchasing Office.

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-two notices were sent, including one MBE and no WBEs. Eight solicitations were issued, including no MBE/WBEs. Four bids were received with no MBE/WBEs responding. One "no bid"



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AGENDA ITEM NO.: 41
AGENDA DATE: Thu 06/24/2004
PAGE: 3 of 3

was received.

- c. This is the first solicitation for the lease/purchase of this equipment; therefore, there is no bid history available.

APPROVAL JUSTIFICATION

- a. Low bid meeting specification.
- b. Emergency Medical Services Department concurs with the recommended award.
- c. Advertised in the Austin American-Statesman and on the internet.